I. Status of Claims.

This application has been reviewed in light of the Office Action dated August 11, 2004. Claims 1-10, and 14-22 are presently pending. Claims 1 and 14 are amended in a manner that is believed to overcome rejections contained in the pending Office Action. No new matter or issues are believed to be introduced by these amendments. Support for the amendment to claims 1 and 14 are found throughout the specification, drawings and originally filed claims.

II. Claims 1-10 and 14-22 rejected under 35 U.S.C. 112, first paragraph.

The Examiner rejected claims 1-10 and 14-22 under 35 U.S.C. 112, first paragraph, and stated that the specification, while being enabling for a compound of general formula B-A-C compound having inhibitory activity against DP-IV, such as glutamylthiazoline of Glu(Gly₃)-Thia, Glu(Gly₅)-Thia or Glu(PEG)-Thia, and a pharmaceutical composition comprising glutamylthiazoline; or a compound of amino acid pyrrolidide, cyanopyrrolidide or 4-hydroxyproline having amino acid side chain blocked, the application does not reasonably provide enablement for a compound of the general formula, B-A-C or a pharmaceutical composition comprising the compound, where the structure or the function of the compound is not defined. Applicants have amended claims 1 and 14 from which the rejected claims depend to more clearly define Applicants' invention. Accordingly, Applicants submit that the rejection has been overcome and respectfully request that this rejection be withdrawn.

III. Claims 14-22 rejected under 35 U.S.C. 112, second paragraph.

The Examiner rejected claims 14-22 under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicants regard as their invention. Applicants have amended claim 14 from which all other rejected claims depend and respectfully submit that this rejection has been overcome.

IV. Rejection of Claims 14-17, 21 and 22 under 35 USC 102(b).

The Examiner rejected claims 14-17, 21 and 22 under 35 USC 102 (b) as being anticipated by Jenkins et al. (WO-95/15309) ("Jenkins").

- A. Examiner's Rejection: The Examiner stated that Jenkins discloses various dipeptidyl peptidase IV (DP-IV) inhibitors such as Glu(NH(CH2)5COOBn)phyrrolidide (compound 59 in Table 2) and Glu(NH(CH2)5COOBn) cyanopyrrolidide (Compound 97 in Table 2), where the side chain of Glu is covalently linked to a NH(CH2)5COOBn, which is a substituted amine having 12 carbon atoms; and the inhibitors were tested in Hepes pH 7.8 buffer solution for their inhibition against DP-IV (pages 9-10; Table 9; claims 14-17,21 and 22).
- **B.** Amendments to the Claims: Applicants respectfully suggest that claim 14, from which all other rejected claims depend, has been amended to more clearly define Applicants' invention,. Applicants respectfully submit that presently amended claim 14 is no longer anticipated by Jenkins and subsequently neither are its dependent claims. Applicants respectfully request that the rejection be withdrawn.

V. Rejection of Claims 14-17, 21 and 22 rejected under 35 USC 102(b).

The Examiner rejected claims 14-17, 21 and 22 under 35 USC 102 (b) as being anticipated by Ashworth et al. (Bioorg. Med. Chem. Lett. 6, 1163-1166 (1996)) ("Ashworth").

- A. Examiner's Rejection: The Examiner stated that Ashworth discloses a series of DP-IV inhibitors such as Lys(Z)-cyanopyrrolidide (compound 28 in Table II), where the side chain of Lys is covalently linked to Z group (C6H5CH2OCO-), which is a substituted aromatic compound having 8 carbon atoms. The Examiner further stated that the inhibitors were tested in pH 7.4 buffer solution for their inhibition against DP-IV (Table II, page 1166; claims 14-17, 21 and 22).
- **B.** Amendments to the Claims: Applicants respectfully suggest that claim 14, as presently amended and from which the other rejected claims depend, is no longer anticipated by Ashworth and subsequently neither are its dependent claims. Accordingly, Applicants respectfully request that the rejection be withdrawn.

CONCLUSION

Accordingly, it is believed that in view of the above amendments and comments, all claims remaining in the application are in condition for allowance, and therefore reconsideration and allowance are earnestly solicited. If the Examiner feels that a telephone conference would expedite prosecution of this case, or resolve any remaining issues, the Examiner is invited to contact the undersigned.

Respectfully submitted,

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